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Soviet Imports from Eastern Europe

Soviet imports from Eastern Europe totaled \$29.4 billion at the official exchange rate (\$1.54 per ruble) in 1980, the last year for which data is available. These imports totalled 43 percent of total Soviet imports that year.

Machinery and equipment imports account for the bulk of Soviet purchases from Eastern Europe--51 percent in 1980. Of total Soviet machinery imports in 1980, 65 percent came from Eastern Europe.

At the official exchange rate, Soviet imports of machinery from Eastern Europe equalled \$15.1 billion in 1980. (See table 1.) Using a more realistic exchange rate computed by two Western economists, the value of these imports comes to only \$9.1 billion. As the table shows, the major Soviet machinery import item was transportation equipment. In 1980, at the official exchange rate, the Soviet Union bought over \$2 billion in ships and railroad rolling stock from Eastern Europe. At the alternative exchange rate, such purchases were still very large--almost \$1.3 billion. Agricultural machinery and equipment purchases from Eastern Europe were also heavy in 1980--\$1.1 billion at the official exchange rate, almost \$700 million at the alternative rate.

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The second largest component of Eastern European exports to the USSR is manufactured consumer goods. Those that were recorded in Soviet statistics accounted for 16 percent of imports from Eastern Europe in 1980. Of all Soviet imports of manufactured consumer goods, imports from Eastern Europe accounted for 65 percent. As the second table shows, clothing and shoes were the largest import from Eastern Europe--about \$2.5 billion in 1980 at the official rate, about \$1.3 billion at a lower, more realistic rate.

Recorded Soviet imports of other goods--raw and semi-manufactured raw materials and agricultural items--account all told for only about 14 percent of total Eastern European exports to the Soviet Union. As Table 3 shows, Eastern Europe accounts for a relatively small percentage of total Soviet imports of these items. Food is the major item in this residual category--about \$2.4 billion in 1980 at the official rate, almost \$2 billion at a more realistic rate. (There is an unexplained residual in Soviet imports from Eastern Europe equal to slightly less than 20 percent of the total.)

Although Eastern Europe is a major exporter of some items to the Soviet Union, Soviet dependence on Eastern Europe is still relatively minor in most cases. Thus, in 1980, Soviet machinery imports from Eastern Europe were equivalent to only 6 percent of the value of Soviet machinery production. Soviet imports of manufactured consumer goods were equivalent to less than 3 percent of Soviet production in this category.

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Eastern Europe does provide a significant share of some items, however. According to a Soviet press report, East European exports in 1976-80 provided 40 percent of the increment to the Soviet merchant fleet, 35 percent of the increment to inventories of Soviet railroad passenger cars, 12 percent of the increment to the stock of Soviet buses, and accounted for 15 percent of retail trade in manufactured clothing, shoes, furniture, and conserves.

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Table 1  
**Soviet Imports of Machinery and Equipment  
 from Eastern Europe in 1980, \$ Million**

	% of Total Soviet M&E Imports	Valued at	
		Official Exchange Rate <sup>a</sup>	More Realistic Alternate Rate <sup>b</sup>
Total Soviet M&E Imports from EE	65	15114.5	9127.6
Top 15 imports	--	8099.3	4891.1
Ships and equipment for ships	64	1226.9	740.9
Agricultural machines and equipment	94	1112.2	671.7
Railroad rolling stock and auxiliary equipment for it	95	844.7	510.1
Metal cutting machine tools and forging-pressing equipment	54	675.9	408.2
Electrical equipment	78	669.1	404.1
Chemical industry equipment	34	659.0	398.0
Textile industry equipment	86	517.4	312.5
Food industry equipment	63	443.2	267.7
Buses	100	398.6	240.4
Energy equipment	63	375.1	226.6
Instruments and laboratory equipment	69	350.7	211.8
Metal rolling equipment	58	283.2	171.0
Oil refining equipment	82	237.9	143.7
Medical equipment and instruments	68	191.0	115.3
Road and road-building equipment and machinery	39	169.4	102.3

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<sup>a</sup> \$1.54 per ruble

<sup>b</sup> \$.93 per ruble, based on work by Vanous and Marrese. Rate incorporates a 1/3  
 "quality discount" on Eastern European machinery.

Table 2

**Soviet Imports of Manufactured Consumer Goods For  
Eastern Europe in 1980, \$ Million**

	<u>% of Total MCG Imports</u>	<u>Valued at</u>	
		<u>Official Exchange Rate<sup>a</sup></u>	<u>More Realistic Alternate Rate<sup>b</sup></u>
Total Soviet MCG Imports from EE	66	4691.5	2437.1
Major Individual Categories			
Clothing & Shoes	62	2473.4	1284.9
Medicine	81	679.9	353.2
Personal Products	62	575.3	298.9
Furniture & Other Household Items	74	543.3	282.2
Consumer Durables	87	220.7	114.6

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<sup>a</sup> \$1.54 per ruble

<sup>b</sup> \$.93 per ruble, based on work by Vanous and Marrese.

Table 3

**Soviet Imports of Raw and Semi-Manufactured Raw Materials  
from Eastern Europe in 1980, \$ Million**

	<u>% of Total Soviet Imported Items</u>	<u>Valued at</u>	
		<u>Official Exchange Rate<sup>a</sup></u>	<u>More Realistic Alternative<sup>b</sup></u>
Food	16	2397.3	1945.9 <sup>b</sup>
of which			
Meat	22	479.4	373.6 <sup>b</sup>
Chemicals	23	748.9	651.6 <sup>c</sup>
Metals, Ores <sup>d</sup> , and Minerals	17	775.9	674.7 <sup>c</sup>

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<sup>a</sup> \$1.54 per rubles

<sup>b</sup> \$1.20 per ruble

<sup>c</sup> \$1.34 per ruble

<sup>d</sup> The USSR reports only a small percentage of its trade in ores and minerals.